

**Scholes International Airport Advisory Committee Meeting**  
**November 10, 2015 | 12:00PM**  
**Airport Terminal Conference Room**  
**2115 Terminal Dr., Galveston, Texas**

**1. CALL MEETING TO ORDER**

With a quorum present, the meeting was called to order at 12:00PM.

**2. ROLL CALL**

Members Present: Trey Dibrell, Stan Humphrey, Kathy Thomas, Wayne O'Quin  
Ex-Officio member: Carolyn Sunseri

**3. APPROVE MINUTES**

Motion was made by Trey Dibrell to approve the minutes of the November 10, 2015 Advisory Committee meeting; second by Stan Humphrey. Unanimously approved.

**4. AIRPORT APPRAISAL REPORT AND PROPOSED LEASE RATE SCHEDULE**

Mike Shahan provided the following information. Win Perkins with Airport & Aviation Appraisals completed his appraisals of all airport property. Today, we wanted to focus on the leasable property mostly on the east side of the airport. Each parcel is classified under one of three categories.

- a) Primary Airside Property – Generally considered the most valuable property on the airport, they're in good location to the main taxiways and parking ramps and typically have most utilities in place.
- b) Secondary Airside Property – Generally is not as desirable as Primary Airside Property. This property is located further away from the main taxiways and ramp areas. Taxiways and ramps may need to be built to accommodate access to this property. Utilities are less or non-existent.
- c) Commercial-Industrial Property – Due to the location of this property, it is typically not suitable for airside development, but its location in regard to landside roadway systems makes this property more suitable to commercial or industrial development.

The Advisory Committee will ask City Council to adopt the following lease rate schedule for each parcel of property.

Parcel 1: This site is considered **Primary Airside** Property and is optimized for the development of nested T-hangars. This parcel has existing concrete on which to build and is located a short distance from the approach end of Runway 18. Utilities are not on site. Appraised at: \$0.27 psf/yr for aviation land use

Parcel 2: This site is considered **Primary Airside** Property and is optimal for the development of ten, 60' X 60' box hangars, but some lots can be combined to accommodate hangar sizes of up to approximately 215' X 60'. Utilities are on site, and a new, concrete taxi-lane system exists in front of each hangar lot. Appraised at: \$0.25 psf/yr for aviation land use

- Parcel 3: This site is considered **Secondary Airside** Property and is optimal for a larger hangar of approximately 20,000 to 30,000 square feet. This parcel is located behind the County Mosquito Control hangar, due South of Parcel 2. Utilities are near, but construction of a taxi lane is required to connect this site to Taxiway B. The site is approximately 3.5 acres in size. Appraised at: \$0.20 psf/yr for aviation land use
- Parcel 4: This site has both **Primary and Secondary Airside** Property and is located at the South end of the Airport.
- The **Primary Airside** Property has existing concrete on which to build, utilities on site, and is located a short distance from the approach end of Runway 36. The hangar lots are suitable for small hangars less than 3,600 sq. ft. in size. Appraised at: \$0.23 psf/yr for Primary aviation land use
- The **Secondary Airside** Property is approximately 27,000 square feet of ground area and is suitable for a large hangar or two or more small hangars. Utilities and concrete ramp area are located near this hangar site. Appraised at: \$0.18 psf/yr for Secondary aviation land use
- Parcel 5: This site is considered **Primary Airside Property** and is located adjacent to the main, concrete parking apron and the Airport Terminal. This parcel is currently leased to Ed Zompa. The site is raised, level, and serviced by all necessary utilities. This site is optimal for a large, open-bay hangar of the type commonly utilized by fixed base operations, and other similar type of airside tenants for storage purposes. Appraised at: \$0.23 psf/yr for aviation land use
- Parcel 6: This site is considered **Secondary Airside** Property and is located north of the North Hangar Development Area and the approach end of Runway 18 behind Moody Gardens. A portion of this parcel has a section of a closed, concrete runway, but the bulk of the square footage contained within it is unimproved. This site is optimal for moderately sized, storage hangars. Appraised at: \$0.16 psf/yr for aviation land use
- Parcel 7: This site is considered **Commercial-Industrial** and is located between the approach ends of Runway 32 and Runway 36 off Stewart Road. It also falls between the Runway Protection Zones of both runways. This parcel is currently occupied by Tin Cup's Caddy Shack. The site is approximately 9.6 acres in size. Commercial development of this parcel is dependent upon the height and any potential vertical penetration of airport airspace surfaces. Appraised at: \$0.015 psf/yr for non-aviation land use
- Parcel 8: This parcel is the main aircraft-parking apron at GLS and is considered **Primary Airside** Property. This apron can only be utilized with adjacent airside parcels of land to offer additional capacity for aircraft maneuvering to a potential tenant. The tenant would utilize the apron area on an exclusive basis, and would not be required to accommodate any type of activity on the apron that was not related to that individual tenant's operations. No development is allowed on Parcel 8. Appraised at: \$0.25 psf/yr for aviation land use

Parcel 9: This parcel is considered **Commercial-Industrial** and is located on the east side of the airport north of Jones Drive, east of Skymaster Road and west of the canal that runs between Offatts Bayou and Lake Madeline. This site has waterfront access and is approximately 2.6 acres in size. This site once housed a boat ramp and docks and an RV Park. There are currently two buildings leased on the parcel. The City has plans to lease this parcel from the Airport and create a public boat ramp/community park area. Appraised at: \$0.15 psf/yr for non-aviation land use

Motion was made by S. Humphrey to approve the Appraisal Report Lease Rate Schedule; second by Kathy Thomas. Motion unanimously approved.

## **5. AIRPORT LEASE POLICY**

Mike Shahan provided the following information. Airport staff has developed a DRAFT Airport Lease Policy for the Committee to review. This policy will help ensure that the Airport will receive an appropriate return on the City's airport asset while providing equitable development opportunities for present and future leaseholders. It is also very useful should there ever be a complaint filed against the airport for discrimination. A written Lease Policy that is followed will keep the airport protected. This policy addresses new leases and lease rates by:

- Establishing hangar development sizes with corresponding lease terms.
- Establishing uniform lease rates for the Airport.
- Encouraging full property utilization and prevention of land banking.
- Ensuring compliance with all State and Federal laws and grant assurances.

Lease terms are set by the size of the hangar (investment). The larger the hangar or hangar development the longer the lease term will be. Lease rates are as outlined in previously discussed Item 4.

### New Lease Terms

- a) 20-year lease term for all new facilities under 3,600 sq. ft. No options, and facility ownership transfers to the Airport at the end of the initial term
- b) 30-year lease term for all new facilities that are 3,600 sq. ft. to 10,000 sq. ft. No options, and facility ownership transfers to the Airport at the end of the initial term
- c) 40-year lease term for all new facilities that are over 10,000 sq. ft. No options, and facility ownership transfers to the Airport at the end of the initial term

Existing leases will not be affected by the new lease terms. Airport staff is requesting feedback from the Committee on this policy before requesting City Council approval. The committee should send Mike their comments and/or recommendations and by February's meeting we can hopefully have the Lease Policy ready to be submitted to council.

## **6. AIRPORT ACCESS CARD POLICY**

Mike Shahan provided the following information. The Airport needs to update and formalize the existing Policy on how Access Cards are issued, and the cost associated with issuing fees. The current fee for issuing access cards is \$2.00 each card. The cost of the airport to purchase these access cards is \$3.85 each card.

Not included is the wording for the Hold Harmless that should help protect the City should an accident occur on the airport by someone with an access card or one of their guests. This agreement must be signed in order to be issued an Access Card. We are not sure if this Policy has/needs to be adopted by the City Council but will find out by next month's meeting. Airport staff is requesting the Committee's feedback and recommendations on the proposed Access Card Policy and fees.

## **7. UPDATE ON AIRPORT PROJECTS**

### **a. FBO UPDATES**

Galveston Aviation Services manager, Danica Titus, provided the following FBO updates:

#### Fuel Prices

Avgas Full Service	\$4.49	Self Service	\$4.19
Jet A Full Service	\$4.09	Self Service	\$3.89

Galveston Aviation Services is currently looking to fill one line technician position. No line technician experience necessary, training will be provided. Customer service experience and experience driving larger trucks required. Must have a valid driver's license and clean driving record.

Island Jet Center owner, Jay Balentine, was not present; Mike Shahan provided the following FBO updates.

No work has been started in the FBO terminal building offices. The tank stands are in place and Jay has ordered the roll-down cage door and wall divide and is waiting for them to be delivered.

### **b. TIRZ 14 Updates**

Bryan Fisher, TIRZ 14 Board Member, provided the following information. The next TIRZ 14 meeting will be Tuesday, January 26<sup>th</sup> at 12:00 noon at the City Council workshop chambers, Room 200. Mike Shahan will be at the meeting to discuss restructuring some of the funds allocated for capital improvement projects at the Airport that have not been able to receive the FAA's portion of funding. The request will be to restructure funds towards the engineering portion of other Airport projects.

### **c. South Taxiway Access Construction**

Mike Shahan provided the following information. Webber started pouring concrete last week, and continues to do so today. Weather permitting; all of the concrete pouring should be completed sometime next week. After concrete the last bit of work that will need to be completed is the ditch near Era Helicopters (concrete/rip rap), and to lay sod. The project should be completely finished by the end of this month.

As part of the project, an access road was removed, but the replacement road was not programmed into the project. We were successful in getting TxDOT Aviation to agree to pay up to \$65,000 of the replacement cost, which was estimated to be \$55,738. Webber submitted an estimated of \$94,758, so this part of the project has been cancelled.

**d. Roadway Improvements**

Mike Shahan provided the following information. The City of Galveston and contractor Mullen Asphalt reached an agreement and the contractor was paid a reduced amount. The remaining monies will be used to offset the cost of the City to overlay the roads with 1.25" to 2" of asphalt, and smooth up and stripe the roads as well. Cost estimate of \$175,611.80 for a 1.25" asphalt overlay and \$7,467.50 for striping

**e. Upcoming Capital Improvement Projects**

Mike Shahan provided the following information.

- i. RFQ for Engineering Services – The Airport is waiting to receive approval from the TIRZ 14 and RDA Boards to reallocate funds towards engineering services before requesting the City Council permission to publish the RFQ.
- ii. Proposed Parks & Recreation Ground Lease – The Airport is working with the City and Councilwoman Sunseri on developing part of Parcel 9 into a public park with boat ramp, docks and possibly food truck vendors.
- iii. Other Airport Business – A skydiving business is seeking to operate at the Airport. Ultimately the business would like to operate off one of the beaches, but until they get approval from the Parks Board they would operate at the Airport. It was recommended that they use field by Tin Cup's for landing. The business would not be leasing anything from the Airport, but the Airport would receive some funds from fuel flowage. The jumps would be tandem with two jumps at once max. The business owners are talking with the fixed base operators, Tin Cup's, and other Airport tenants to discuss their intended operations. They have been coordinating with Houston Approach and the Tower. A Letter of Agreement between the Airport, Control Tower, Operator will need to be established and they must meet existing minimum standards before opening for business.

**f. Fuel Flowage Report**

Mike Shahan provided the following information.

November

*Galveston Aviation Services* reported 21,642 gallons delivered. This is up 10.68% over last November deliveries.

*ERA* and *PHI* reported 87,829 gallons total delivered in November. This is up 78.5% over last November deliveries.

Combined, the monthly fuel deliveries were 109,471 gallons, which is up 59.21% over last November.

December

*Galveston Aviation Services* reported 11,783 gallons delivered. This is down 57.2% over last December deliveries.

*ERA* and *PHI* reported 89,538 gallons total delivered in December. This is up 63% over last December deliveries.

Combined, the monthly fuel deliveries were 101,321 gallons, which is up 22.88% over last December.

Year to date, we are up 27.74% over last year with 307,643 gallons delivered

**g. ATCT Operations Report**

Mike Shahan provided the following information.

November - 2,392 operations, compared to November of last year where we had 2,508 operations. Our traffic for November is down 4.63%%.

December - 2,614 operations, compared to December of last year where we had 1,863 operations. Our traffic for December is up 40.31%.

Year to date, our air traffic is down 0.65%

**h. Community Involvement**

Mike Shahan provided the following information.

- i. Proposed Air Race – Airport staff has been working with Pat Purcell with the Air Racing League to host an air race that hopes to draw 30 racers. A tentative date has been set for April 30. The race will begin at the airport and use another airport as the finish line.

The Air Racing League is in need volunteers to help with registration, time keeping and cooking hamburgers and hot dogs as well as a meeting place to host the event, hold pilot briefing in the mornings, and for the awards ceremonies afterwards. They could possibly need hangar space in case of bad weather. As part of the Airports sponsorship, we would provide and cook the food.

- ii. Boy Scout Aviation Merit Badge – The Airport is seeking one or more volunteers who would be interested in working with the local Boy Scouts so they can earn their aviation merit badge. This would be a great opportunity to educate young people about the airport and aviation in general. (Requirements needed to earn the badge are attached.)
- iii. Marketing – Amanda Longoria, Office Specialist, provided the following marketing updates: Airport staff will meet with Darrell John of DLJ Studios sometime in March to discuss the design of the Airport marketing video production. We will be able to get aerial shots of the new South Taxiway to use for marketing and promoting hangar development.

Airport Staff along with committee member Kathy Thomas will be meeting with Meg Winchester and Kelly de Schaun with the Galveston Convention and Visitors Bureau Friday, January 22<sup>nd</sup> to discuss marketing aviation tourism to benefit the airport and the island. We will inquire about getting a webcam for the airport which would display a live web feed to our website and well as Galveston.com's webcam page. We are also requesting the ability to embed the Galveston.com calendar of events to the airport's website.

**i. Additional Discussion**

Trey Dibrell suggested to coordinate a meeting of Committee Members and Airport Staff with GISD and Galveston College regarding usage of the Lone Star Flight Museum space.

**8. DATE AND TIME OF NEXT MEETING** – February 9, 2016 at 12:00PM

**9. PUBLIC COMMENT** – None

**10. ADJOURNMENT** – The meeting was adjourned at 1:46PM